



FACULTY OF LAW
END OF SEMESTER EXAMINATIONS - APRIL 2025

PROGRAMME: LLB

YEAR/SEM: YEAR 4/SEMESTER 2

COURSE CODE: LLB 4209

NAME: REVENUE LAW AND TAXATION II (ELECTIVE)

DATE: 2025-04-15

TIME: 9:00AM-12:00PM

INSTRUCTIONS TO CANDIDATES:

1. Read the instructions very carefully
2. The time allowed for this examination is STRICTLY three hours
3. Read each question carefully before you attempt and allocate your time equally between all the Sections
4. Write clearly and legibly. Illegible handwriting cannot be marked
5. Number the questions you have attempted
6. Use of appropriate workplace examples to illustrate your answers will earn you bonus marks
7. Any examination malpractice detected will lead to automatic disqualification.

DO NOT WRITE ANYTHING ON THE QUESTION PAPER

Section A This question is compulsory

Question 1:

1. Master Mixed Suppliers Ltd is a VAT registered taxpayer operating as a general commercial company in Uganda. During the month of March 2025, Master Assorted Suppliers Ltd made the following supplies
- Ug.shs245,000,000 from the sale of merchandise and other goods through its outlets;
 - Ug.shs150,000,000 from the sale of a piece of unimproved land owned by the Company in Kitukutwe;
 - Ug.shs43,000,000 for supply of protective gear for use by the employees of Muzo Construction Company, which is upgrading the Bwizibwera-Buhweju road using grant funding from the World Bank; and
 - Ug.shs5,000,000 paid by its customers for issuance of shopping cards for use in making purchases from its outlets.

During the same month, Master Mixed Suppliers Ltd paid for the following as inputs for their business:

- Ug.shs44,000,000 (inclusive of VAT) was paid as rent for the various outlets
- Ug.shs35,000,000 paid for purchase and transportation of protective gear from the Chinese manufacturer. VAT was paid upon import of the protective gear;
- Ug.shs1,750,000 was paid for hire of vehicles for distribution of goods to its various outlets. The amount paid for was exclusive of value added tax.

Consider the information provided above and advise on the following:

- The treatment of the various supplies under the Value Added Tax Act;
- The value added tax payable for taxable supplies made in the tax period of March 2025;
- The input tax credit claimable for the tax period of March 2025; and
- The value added tax due for the tax period of March 2025.

Section B Answer at least one question from this section

Question 1:

1. Write short notes about the following:
- Distinction between tax liability and tax incidence for value added tax purposes. (6 Marks)
 - Refunds of tax paid under the Value Added Tax Act, Cap. 344 (11 Marks)
 - Taxation of a supply of goods as part of a transfer of a business as a going concern. (8 Marks)

Question 2:

1. Prepare brief notes on the decisions made in the following cases and their impact on the value added taxation regime in Uganda
- Akiiki Rwaheru & 13945 Other v Uganda Revenue Authority Court of Appeal Civil Appeal No. 98 of 2015 (8 Marks)
 - Aviation Hangar Services Ltd v Uganda Revenue Authority Tax Appeals Tribunal Application No. 21 of 2019 (10 Marks)
 - Sharad Karia v Uganda Revenue Authority Tax Appeals Tribunal Application No. 57 of 2023 (7 Marks)

Section C Answer at least two questions from this Section

Question 1:

1. *“Within the tax law, one can discern that the government’s tax policy is hidden within the taxation or non-taxation of certain supplies: it is intended to promote investment in specific economic activities, support growth of some sectors and provide relief in certain circumstances.”* Per Tax Policy Expert

With reference to provisions of the Value Added Tax Act, Cap. 344, discuss the incentive schemes created by the Government of Uganda to taxpayers. (25 Marks)

Question 2:

“For every business, compliance with value added tax obligations is complicated. Now, what is EFRIS?, what do they mean by the filing returns and redress mechanisms?” Per Faridah, Kikuubo trader

Citing the relevant sections and cases, write a comprehensive essay explaining to Faridah the VAT compliance obligations from registration to dispute resolution. (25 Marks)

Question 3:

‘VAT is designed as a tax on final consumption. There are various provisions within the Value Added Tax, Cap. 344 which ensure that this intention is achieved. Courts must always be mindful of this when interpreting VAT legislation.’ Comment by Tax Law Expert on decision in *Aviation Hangar Services v URA*

With the aid of sections from the Value Added Tax Act, Cap. 344 and applicable case law, discuss the applicability of this statement in the Uganda VAT context.

Question 4:

1. *“Value Added tax is an indirect tax. It is charged on every taxable supply without regard to the nature or location of the consumer, and it will always be paid by the Supplier”*; per Mutambuza LLB4.

Consider the above statement and discuss its accuracy in light of the provisions of the Value Added tax Act, Cap. 344 and the cases decided in Uganda. (25 Marks)